

**BERING SEA/ALEUTIAN ISLANDS CRAB CO-OP MEETING  
ANCHORAGE, ALASKA  
12/7/99 MEETING MINUTES**

**NPFMC Meeting Facilitators:      Kevin O’Leary  
   Dave Fluharty**

Meeting notes were taken by Linda Kozak. Handouts included:

- a) Meeting minutes from the Seattle meeting of November 22, 1999
- b) Draft problem statement
- c) Options paper for cooperatives

Approximately 80 individuals attended the meeting, comprising vessel owners, skippers, processors, community leaders, and other interested people.

Kevin O’Leary provided a brief overview of the Seattle meeting. He then provided the reasons for developing a problem statement, how the Council uses them and how to proceed. Kevin indicated the status of the reauthorization process of the Magnuson-Stevens Act and the types of things industry has to do in order to achieve a solution. He then discussed briefly what a co-op is and how it works.

Following is a summary of key points addressed at the meeting.

**Draft Problem Statement**

The draft problem statement was read and discussed. Several editorial suggestions were made and some questions were raised regarding specific issues within the problem statement. The problem statement was approved as a working document to send out to the LLP recipients and to begin distributing to the Board of Fish, Council and other interested parties.

**Communication**

It was reiterated by Dave Fluharty that all interested parties remain involved in the process. Individuals need to assist in getting the word out, although efforts are being made to contact all crab LLP recipients, as well as processors and CDQ groups.

Chris Oliver indicated that the Council web site could have links to meeting notices, minutes and other documents. This could assist in the need to keep industry involved and informed.

**Co-op Issues**

Several industry comments were made for or against moving forward with development of co-ops for crab. Some concerns were that co-ops would stop the competitive fishery that now occurs. Another comment was that there doesn't seem to be too many boats in the Bering Sea at this time. One statement was made that industry needs to participate in developing a solution, not read about it in the Federal Register.

There were several questions about buybacks and whether they need to be tied to cooperatives. The referendum process was addressed and a clarification was made that while a buyback program needs 2/3 approval, the development of a co-op is not restricted in this way. It was reiterated that any type of co-op does need to have fleet support, but a

fleetwide vote is not required. It was decided to complete a primer on buybacks as well and to begin developing options for a vessel/license buyback program. Questions were raised about funding and payback options for a buyback. It was suggested that someone prepare a breakdown of this as well.

There was some discussion regarding the options for years for co-ops. Suggestions were made to include 1993-1999 and 1996-1999. One person stated that it is wrong to have 2000 in the options. There were some comments about the Council confirming the December 31, 1998 date for cut-off.

Kevin O'Leary reiterated that the processing sector of the industry needs to begin developing their ideas and be able to present them at the February meeting. Dave Fluharty indicated that Congress has given the signal that they are looking for an integrated approach and harvesters need to consider linking up with the processors in a joint plan.

There was a request from industry to begin looking at what fees would be involved, and Kevin O'Leary stated that this should be addressed as we get farther along in the process.

### **State & Federal Involvement**

Several comments were made with regard to the process of the Magnuson-Stevens reauthorization, as well as the issues of addressing crab co-ops at the Council or congressional levels.

Earl Krygier and Pete Probasco from the Alaska Department of Fish & Game were present and Earl was asked if the state had yet developed a policy on this issue. He responded to say that state personnel have not yet had a chance to meet and discuss the co-op issue. He did indicate that the Board of Fish would be heavily involved in whatever was considered.

### **Future Plans**

One individual commented that a descriptive/reference document is needed. Dave Fluharty informed the group that a primer on co-ops is in the process of being developed to address the specific needs of the crab fleet. Efforts will be made to send this out in the next mailing.

A suggestion from industry was that a questionnaire be sent out to the fleet requesting their comments and ideas. This was met with approval by those in attendance. It was decided to begin development of a survey and send it out to the fleet after the next meeting.

One suggestion was made to hold a January meeting in Dutch Harbor. A February meeting will be scheduled about two weeks after the close of the opilio fishery. The options paper will be reviewed and attempts made to begin reducing the number of options for consideration.

## **PROBLEM STATEMENT FOR THE BERING SEA/ALEUTIAN ISLANDS CRAB FISHERIES**

The crab fisheries in the Bering Sea/Aleutian Islands are fully utilized. Despite amendments to the License Limitation Program and American Fisheries Act sideboards, capacity in these crab fisheries far exceeds available resources.

The ability for crab harvesters to diversify into other fisheries has been severely curtailed under the License Limitation Program and other management actions designed to bring stability to other gear groups and species.

Many of the concerns identified by the North Pacific Fishery Management Council at the beginning of the comprehensive rationalization process in 1992 still exist for the BSAI crab fisheries. The race for fish continues to result in:

- Resource/conservation and management problems
- Bycatch/handling mortality and deadloss
- Gear loss
- Excess harvesting capacity
- Lack of economic stability
- Safety issues

As a necessary step in the continued process of comprehensive rationalization, prompt action is needed to protect the crab resource and to promote stability for those who are dependent on the crab fisheries. In order to achieve a balanced resolution, the concerns of harvesters, processors and coastal communities must be addressed.

# **BERING SEA CRAB COOPERATIVE OPTIONS**

*As Identified on 12/7/99*

## **MANAGEMENT PRIORITIES**

### Issues

1. Address GHM vs. TAC management system
2. Establish conservative management/rebuilding regime
3. Address costs of management, monitoring and enforcement
4. Address full retention requirement
5. Other

## **END THE RACE FOR FISH – Crab Cooperatives**

### Qualification

1. Must own a crab license under the License Limitation Program
2. Other

### Catch History Recipient

1. Vessel owner
2. Skipper
3. Other

### Cut-off Date

1. December 31, 1998
2. December 31, 1999
3. Other

### Establish a Catch History basis for Allocation

#### Year Options:

1. 1988 - 1998
2. 1992 - 1998
3. 1993 - 1999
4. 1995 - 1997
5. 1995 - 1998
6. 1996 - 1999
7. 1998 - 1999
8. 1998 - 2000
9. Other

#### Fishery-by Fishery Options:

1. Opilio – 1996-1998
2. Bristol Bay red king crab – 1996-1998
3. Pribilofs – 1996-1998
4. St. Matthew – 1996-1998
5. Bairdi – 1994-1996
6. Adak red king crab – 1992-1995
7. Adak brown crab – 1996-1998
8. Other

### Address Closed or Developing Fisheries

### Catch History Options

1. All years included
2. Best six out of seven
3. Best five out of seven
4. Best two out of three
5. Best one out of five
6. Weigh recent participation higher
7. Other

Number of Vessels Allowed to Form Cooperatives

1. 10 vessels
2. 15 vessels
3. 20 vessels
4. Fishery-by-fishery basis
  - a) Bristol Bay red king crab \_\_\_\_\_
  - b) Opilio \_\_\_\_\_
  - c) Bairdi \_\_\_\_\_
  - d) St. Matthew \_\_\_\_\_
  - e) Pribilofs \_\_\_\_\_
  - f) Adak red crab \_\_\_\_\_
  - g) Adak brown crab \_\_\_\_\_
5. Minimum and maximum percentage of fishery, rather than number of vessels
6. Other

Duration of Co-op Contracts per Area and/or Fishery

1. One year
2. Two year
3. Other

Transfer/Leasing

1. None
2. Allow annual leasing with limits
3. Allow sale of catch history and stacking with limits
4. Other

Excessive Share Caps

1. None
2. 1% - 5% of resource
3. Cap on number of vessels owned - five vessels
4. Varying caps for each fishery/area
5. Grandfather provisions
6. Other

Catcher/Processor Issues

1. Capped same as catcher vessels with no processing caps
2. Capped at historical processing history
3. Consider separate co-op structure for catcher/processors
4. Other

**PROCESSOR ISSUES**

Processor Allocation

1. None
2. AFA style processor limited entry
3. Allocation to allow for growth of the share of crab processed
4. AFA style co-op structure
5. Other

Limit Number of Processors

1. None
2. Limited entry for processors
3. Other

Participation Requirements

1. Based on actual history
  - a) Same history as for harvesters
  - b) Participation in 1999 would be required, or last year a fishery was conducted
2. Community/location consideration
3. Other

Excessive Share Cap

Issues Surrounding Company Owned Harvesting Vessels

Leasing, Sale and Stacking of Processor Rights

**OTHER**

Pot Limits

1. Status quo
2. Eliminate
3. Raise pot limits

Observer/Reporting Issues

Proposed Timeline for Approval

1. October, 2000
2. Other

**COMMUNITY ISSUES**

Dependent Community Protections

1. None
2. Establish mandatory landing percentages
  - a) None
  - b) Based on actual history
  - c) Based on dependence
  - d) Combination of history and dependence
  - e) Other

**SIDEBORD ISSUES**